AMENDMENT OF SOLICITATI	ON/MODIFICATI	ON OF CONT	RACT	1. Contract I		Page 1 Of 8
2. Amendment/Modification No.	3. Effective Date	4. Requisition/Pur	chase Req		5. Project No.	(If applicable)
P00024	2004JAN08	SEE SCI	HEDULE			
6. Issued By	Code W56HZV	7. Administered B		than Item 6)		Code S2101A
TACOM WARREN BLDG 231		DCMA BALTI	MORE			
AMSTA-AQ-AHLB		217 EAST RE	D WOOD ST			
THOMAS MICHELIN (586)574-7112 WARREN, MICHIGAN 48397-5000		SUITE 1800 BALTIMORE,	MD 21202	E200		
HTTP://CONTRACTING.TACOM.ARMY.MIL		BALLIMORE,	MD 21202-	-3299		
EMAIL: MICHELIT@TACOM.ARMY.MIL			COD a	DAG MONT	ADDI	N T *********
8. Name And Address Of Contractor (No., Stre	et City County State and		SCD C	PAS NONE	ADP I nt Of Solicitation	PT HQ0338
	ct, City, County, State and	Zip Code)		A. Amenumei	n or sometation	1110.
Z SYSTEMS CORP. 9500 ARENA DRIVE						
SUITE 220				9B. Dated (See	Item 11)	
LARGO, MD. 20774-3707				104 Modificat	ion Of Contract	/Onder No
			X	TOA. MOUITICA	ion Of Contract	Oruer No.
TYPE BUSINESS: Small Disadvantaged	Duginoga Dowforming in	. II C		DAAE07-00-C-	M021	
	Business Ferrorming in	1 0.5.		10B. Dated (Se	e Item 13)	
Code 1BHV9 Facility Code				2000MAY12		
11. T	HIS ITEM ONLY APPLI	ES TO AMENDME	NTS OF SO	OLICITATION	S	
The above numbered solicitation is amend	led as set forth in item 14.	The hour and date	specified fo	or receipt of Of	fers	
is extended, is not extended.						
Offers must acknowledge receipt of this ame						
(a) By completing items 8 and 15, and return offer submitted; or (c) By separate letter or	-				-	dment on each copy of the IRE OF YOUR
ACKNOWLEDGMENT TO BE RECEIVED	0					
SPECIFIED MAY RESULT IN REJECTION	N OF YOUR OFFER. If I	by virtue of this ame	ndment yo	u desire to char	ige an offer alre	ady submitted, such
change may be made by telegram or letter, p opening hour and date specified.	provided each telegram or	letter makes referen	ce to the so	dicitation and t	his amendment,	and is received prior to the
12. Accounting And Appropriation Data (If rec	quired)					
SEE SECTION G	1					
12 THIS	ITEM ONLY APPLIES T	O MODIFICATION	IS OF COM	NTD A CTS/ODI	DEDC	
KIND MOD CODE: 6	It Modifies The Contra				DEKS	
A. This Change Order is Issued Pursual				The Ch	anges Set Forth	In Item 14 Are Made In
The Contract/Order No. In Item 10.		The Administrative (Thomass (av	rob og skonges i	n noving office	annuantian data ata)
B. The Above Numbered Contract/Orde Set Forth In Item 14, Pursuant To T			nanges (su	ich as changes i	n paying office,	appropriation data, etc.)
C. This Supplemental Agreement Is Ent	tered Into Pursuant To Au	thority Of:				
X D. Other (Specify type of modification a	and authority) Exercise	Option; SPEC PROV	H-17			
E. IMPORTANT: Contractor X is not,	is required to sign	this document and	return	(opies to the Issu	ing Office.
14. Description Of Amendment/Modification (Organized by UCF section	headings, including	solicitation	ı/contract subje	ct matter where	feasible.)
GEE GEGOVE DAGE FOR DEGGETORION						
SEE SECOND PAGE FOR DESCRIPTION						
Except as provided herein, all terms and condi-	tions of the document refe	renced in item 9A or	10A. as he	eretofore chang	ed. remains uncl	nanged and in full force
and effect.			1011, 45 110	are corone coming	, 1 011111111111111111111111111111111	
15A. Name And Title Of Signer (Type or print))				Officer (Type or	· print)
		STANLEY T KULCZYCS@		CKI MY.MIL (586)5	74-7004	
15B. Contractor/Offeror	15C. Date Signed					16C. Date Signed
(Signature of narrow authorized to -i)	-	By	ianoturo -	/SIGNED/ f Contracting C	Afficar)	2004JAN08
(Signature of person authorized to sign) NSN 7540-01-152-8070		30-105-02	ignature 0			ORM 30 (REV. 10-83)

Reference No. of Document Being Continued

PIIN/SIIN DAAE07-00-C-M021

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Name of Offeror or Contractor: Z SYSTEMS CORP.

SECTION A - SUPPLEMENTAL INFORMATION

CONTRACT: DAAE07-00-C-M021

MODIFICATION: P00024 (TPF for PM Bridging/Improved Ribbon Bridge)

PROGRAM: TOTAL PACKAGE FIELDING (TPF) Bradley, M113, M88, M9ACE, & PM Bridging

- 1. The purpose of Modification P00024 to Contract DAAE07-00-C-M021 is to exercise an option for 8,180 additional hours pursuant to Special Provision H-17. This contract modification also revises Section B, Paragraph B-3 to include the M9ACE and PM BRIDGING vehicle systems TPF efforts as part of the total 102,000 option hours available under CLIN 0002.
- 2. This modification impacts the contract amount. For funding, administrative and page substitution purposes, this modification follows prior modification P00023. This modification increases the funding for CLIN 0006 and increases the total contract amount by \$359,511.00 from the prior amount of \$6,177,454.42 to a new total of \$6,536,965.42. The allocation of this funding is as follows:

	<u>Prior</u>	This Change	<u>Total</u>
Estimated Cost	\$5,829,245.06	\$ 339,142.80	\$6,168,387.86
Fixed Fee	\$ 348,209.36	\$ 20,368.20	\$ <u>368,577.56</u>
Cost Plus Fixed Fee	\$6,177,454.42	\$ 359,511.00	\$6,536,965.42

- 3. This modification acquires an additional 8,180 man-hours of support to accomplish Total Package Fielding Support (TPF) efforts for PM Bridging (Improved Ribbon Bridge).
- 4. This modification serves as written notice pursuant to Special Provision H.17, that the Government is acquiring 8,180 man hours of Total Package Fielding Support. These hours are being acquired under the following SubCLIN:

SubCLIN	_Prior	This Change	<u>Total</u>
0006AD	3,307	8.180	11,487

- 5. Special Provisions B-3-1 and H.17 allow the Government to add man hours provided:
 - a. Such hours do not exceed a cumulative maximum of 102,000.
 - b. The hourly cost and fixed fee is appropriate to the estimated cost and fixed fee(s) established for the entire 102,000 man hours
 - c. The option is exercised prior to 18 Oct 2005.
- 6. This action is exercising the following option for 8,180 hours, at \$43.95 per hour. Based on contractor input, the estimated costs associated this this contractual action will be at the negotiated rate of \$43.95 (\$41.46 estimated cost and \$2.49 fixed fee). This modification obligates a total of \$359,511.00 based on the following:

a.	Estimated Cost	8,180 hours x \$41.46	= :	\$ 339,142.80
b.	Fixed Fee	8,180 hours x \$ 2.49	= 3	\$ 20,368.20
c.	CPFF		:	\$ 359,511.00
d.	TOTAL		:	\$ 359,511.00

- 7. The parties to this agreement acknowledge that the contract is changed as set forth below:
 - a. Paragraph H-17 and SubCLIN 0006AD are revised to reflect the updated data and additional funding resulting from this action. SubCLIN 0006AE is added to provide additional funding support to CLIN 0006AD.
 - b. Section B, Paragraph B-3 is revised to include M9ACE and PM BRIDGING vehicle system TPF efforts as part of the total 102,000 option hours available under CLIN 0002.
 - c. Section G is revised to add the appropriation and administrative data for this action.
- 8. Except as provided herein, all other terms and or conditions of this contract shall remain unchanged and in full force and effect.

Reference No. of Document Being Continued

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Name of Offeror or Contractor: Z SYSTEMS CORP. ITEM NO SUPPLIES/SERVICES **QUANTITY** UNIT UNIT PRICE **AMOUNT** SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS 0006AD SERVICES LINE ITEM 420,256.92 NOUN: IRB - TPF PRON: P136K1082T PRON AMD: 05 ACRN: AT AMS CD: 53153542117 TOTAL PACKAGE FIELDING FOR PM BRIDGING -Estimated Cost: \$471,918.85 IMPROVED RIBBON BRIDGE (IRB). THIS EFFORT IS Fixed Fee: \$ 28,338.07 ACCOMPLISHED UNDER WORK DIRECTIVE BRDG 02-01, Rev. 3 CPFF: \$500,256.92 INCLUDING COSTS FOR MATERIALS AND TRAVEL. NOUN: CONTRACTOR SHALL FURNISH ALL THE SUPPLIES AND SERVICES TO ACCOMPLISH THE TASK SPECIFIED IN SECTION C "SCOPE OF WORK", AND AS AMENDED. LEVEL OF EFFORT: 11,487 HOURS (OPTION TIME PERIOD) 01 Nov 2002 - 30 Sep 2004 25 TO 48 MONTHS AFTER ORIGINAL AWARD REFERENCE CONTRACT CLAUSE H-17 PRIOR M113 OPTION HOURS REMAINING (20,000 HOURS ALLOCATED TO PM BRIDGING) 57,260 OPTION HOURS THIS ACTION (8,180) TOTAL M113, M9ACE, PM BRIDGING OPTION HOURS REMAINING 49,080 (4,301.16 HOURS REMAINING FOR PM BRIDGING) Modifications P00018 & P00019: 3,307 Hours X \$42.56 \$140,745.92 Modification P00024: 8,180 Hours X \$43.95 \$359,511.00 TOTAL ESTIMATED COST \$471,918.85 FIXED FEE \$ 28,338.07 TOTAL COST \$500,256.92 (End of narrative B001) Inspection and Acceptance INSPECTION: Destination ACCEPTANCE: Destination Deliveries or Performance DLVR SCH PERF COMPL REL CD QUANTITY DATE 001 30-SEP-2004 420,256.92

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Name of Offeror or Contractor: Z SYSTEMS CORP.

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0006AE	SERVICES LINE ITEM				\$80,000.00
	NOUN: IRB - TPF PRON: P126K544EH PRON AMD: 01 ACRN: AW AMS CD: 53153542116				
	Funding SubCLIN in support of CLIN 0006AD				
	(End of narrative B001)				
	Inspection and Acceptance INSPECTION: Destination ACCEPTANCE: Destination				
	Deliveries or Performance DLVR SCH PERF COMPL REL CD QUANTITY DATE				
	001 0 30-SEP-2004 \$ 80,000.00				

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Name of Offeror or Contractor: Z SYSTEMS CORP.

- B-1 Estimated Cost, Fixed Fee and Payment:
- B-1-1 The estimated cost for performance of the work under this contract, exclusive of the contractor's fee, is set forth in the schedule. For the purpose of the Contract Clause entitled "Limitation of Cost", the estimated cost of this contract shall be the estimated cost specified for each CLIN but neither the Government nor the Contractor guarantees the accuracy of the subject estimate for each individual CLIN.
- B-1-2 A Fixed Fee set forth in the schedule, shall be paid to the contractor at the completion of the period set forth Section F of this contract, upon certification by the contractor that he has exerted the level of effort specified for each CLIN in performing the work called for herein and such performance is considered satisfactory by the Contracting Officer. However, the contractor may present with each voucher for its costs, a fee voucher in the amount bearing the same percentage of the total fixed fee as the certification of the level of effort bears to the total level of effort required under the applicable CLIN.
- B-1-3 The estimated cost and fixed fee are based upon the contractor furnishing the level of effort specified for each CLIN in the schedule during the applicable period set forth in Section F. To support payment for work performed under this contract, the contractor shall, on each voucher submitted state the level of effort expended and certify that the subject level of effort expended has been expended in the accomplishment of the work called for by the contract. Expenditure of labor hours in excess of the amounts specified is not authorized.
- B-1-4 Allowable costs shall be determined and payment thereof, shall be provided in accordance with the Contract Clause entitled "Allowable Cost and Payment", FAR 52.216-7. The Contractor may submit public vouchers bi-weekly for payment under this Contract
- B-1-5 The Contractor is not obligated to incur costs in excess of the funds allotted under CLINS 0001 thru 0003. In the event that the Contractor incurs costs above funds allotted under CLINS 0001 0003, the Government shall not be obligated to pay or reimburse the Contractor in excess of the amount actually allotted under CLINS 0001- 0003.
- B-1-6 The contractor may submit public vouchers bi-weekly payment under this contract. The fee will be payable at the time of reimbursement of cost at the same rate to such cost as the total fee of this contract bears to the total estimated cost thereof, subject to any withholding pursuant to provision of this contract.
- B-1-7 Program Base Hours and Clin structure are as follows:

PROGRAM	CLIN	BASE HOURS
Bradley	0001	17,220
M113	0002	13,640
M88A2 Hercules	0003	4,404
	- 1	25.064
	Total	35,264

- B-2 Option, Bradley Fighting Vehicle System (BFVS)
- B-2-1 In accordance with H-16, the Government shall have the option to increase the level of effort by a maximum of 118,000 hours. This option may be exercised in more than one increment. The total option hours added to the Contract by exercise of this option shall not exceed 118,000 hours. If exercised, CLIN 0001 shall be increased and awarded on a Cost-Plus-Fixed-Fee basis in accordance with when the hours are exercised (time period) and at the corresponding hourly rates specified below and further described in H-16.

Available Hours: 118,000

Time Period		Cost	Fixed Fee	Total Cost
(Months aft	er	Per Hour	Per Hour	Per Hour
original Aw	ard)			
Base Year	1 to 12 months Sep 18,00-Sep 17,01	\$36.95	\$2.22	\$39.17
Year 2	13 to 24 months Sep 18,01-Sep 17,02	\$36.50	\$2.19	\$38.69
Year 3	25 to 36 months Sep 18,02-Sep 17,03	\$37.23	\$2.23	\$39.46
Year 4	37 to 48 months Sep 18,03-Sep 17,04	\$37.90	\$2.27	\$40.17
Year 5	49 to 60 months Sep 18,04-Sep 17,05	\$41.41	\$2.48	\$43.89

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Name of Offeror or Contractor: Z SYSTEMS CORP.

B-3 Option, M113, M9ACE, PM BRIDGING Vehicle Systems

B-3-1 In accordance with H-17, the Government shall have the option to increase the level of effort by a maximum of 102,000 hours. This option may be exercised in more than one increment. The total option hours added to the Contract by exercise of this option shall not exceed 102,000 hours. If exercised, CLIN 0002 shall be increased and awarded on a Cost-Plus-Fixed-Fee basis in accordance with when the hours are exercised (time period) and at the corresponding hourly rates specified below and further described in H-17.

Available Ho Time Period (Months afte original Awa	r	: 1	.02	,000				Cost Per Hour	Fixed Fee Per Hour	Total Cost Per Hour
Base Year	1	to	12	months	Sep	18,00-Sep	17,01	\$37.19	\$2.23	\$39.42
Year 2	13	to	24	months	Sep	18,01-Sep	17,02	\$36.51	\$2.19	\$38.70
Year 3	25	to	36	months	Sep	18,02-Sep	17,03	\$40.15	\$2.41	\$42.56
Year 4	37	to	48	months	Sep	18,02-Sep	17,04	\$41.46	\$2.49	\$43.95
Year 5	49	to	60	months	Sep	18,02-Sep	17,05	\$40.83	\$2.45	\$43.28

B-4 Option, Hercules (M88A2) Vehicle System

B-4-1 In accordance with H-18, the Government shall have the option to increase the level of effort by a maximum of 36,000 hours. This option may be exercised in more than one increment. The total option hours added to the Contract by exercise of this option shall not exceed 36,000 hours. If exercised, CLIN 0003 shall be established and awarded on a Cost-Plus-Fixed-Fee basis in accordance with when the hours are exercised (time period) and at the corresponding hourly rates specified below and further described in H-18.

Available Hour	rs: 36,000			
Time Period		Cost	Fixed Fee	Total Cost
(Months after		Per Hour	Per Hour	Per Hour
original Award	1)			
Base Year	1 to 12 months Sep 18,00-Sep 17,01	\$40.13	\$2.41	\$42.54
Year 2	13 to 24 months Sep 18,00-Sep 17,02	\$40.02	\$2.40	\$42.42
Year 3	25 to 36 months Sep 18,00-Sep 17,03	\$40.49	\$2.43	\$42.92
Year 4	37 to 48 months Sep 18,02-Sep 17,04	\$41.77	\$2.51	\$44.28
Year 5	49 to 60 months Sep 18,02-Sep 17,05	\$43.14	\$2.59	\$45.73

*** END OF NARRATIVE B 001 ***

	COMPINITATION	AT CITE		R	Reference N	o. of D	ocume	nt Being (Continued		Page 7 of 8
	CONTINUATION SHEET				SIIN DAAE0	IIN DAAE07-00-C-M021 MOD/AMD P00024				0024	
Name	of Offeror or Contract	or: z s	YSTEMS CORP								•
SECTION	G - CONTRACT ADMINIS	STRATION	I DATA								
	PRON/										
LINE	AMS CD/		OBLG STAT/]	NCREASE/I	DECREASE		CUMULATIVE
TEM	MIPR	<u>ACRN</u>	JOB ORD NO	<u></u>	PRIOR A	MOUNT	_	AMOU	JNT		AMOUNT
0006AD	P136K1082T 53153542117 A13P51171CIR	AT	2 3ZCB04	\$	140,7	45.92	\$	279	,511.00	\$	420,256.92
0006AE	P126K544EH 53153542116 A1205116EHTR	AW	1 2ZHT17	\$		0.00	\$	80,	,000.00	\$	80,000.00
					NET CHA	NGE	\$	359	,511.00		
SERVICE NAME	NET CHANGE BY ACRN	ACCC	OUNTING CLAS	STETCATT	ON				ACCOUNTING STATION		INCREASE/DECREASE
Army	AT	21			3153531E1	S2011	336K10	08	W56HZV	\$	279,511.00
Army	AW	21	2203500002	6D6D12P5	3153531E1	S2011	326K54	14	W56HZV	\$	80,000.00
									NET CHANG	E \$	359,511.00
			PRIOR AMOUN	Т			ASE/DE	ECREASE		CUMULAT	
	NGE FOR AWARD: \$	_	177,454.42		\$		59,511		\$	OBLIG	,965.42

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Name of Offeror or Contractor: Z SYSTEMS CORP.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H-16 Option, BRADLEY FIGHTING VEHICLE SYSTEM (BFVS)

Pursuant to FAR 52.217-7, the Government shall have the unilateral right to increase the level of System Technical Support for Total Package Fielding under CLIN 0001 by up to 118,000 hours, at the estimated cost per hour to include fixed fee as established in paragraph B-2-1. The Contracting Officer may exercise the options set forth in this paragraph by giving written notice to the Contractor any time after Contract award through the sixtieth month after award. The performance there under to commence immediately upon the issuance of Work Directives corresponding to the increased hours. The CPFF hourly rate established in paragraph B-2-1 for that specific time period shall apply. The option may be exercised in any increment over the time period listed in paragraph B-2-1, but the total hours added to the Contract under the option will not exceed 118,000 hours.

By exercising any portion of the option increment of 118,000 hours, the Government will unilaterally extend the period of performance under CLIN 0001 to allow completion of this effort. The individual Work Directive will also reflect this extension. Any options exercised during the effective period of this contract and not completed within that time period, shall be completed by the contractor within the time specified in the work directive. The contract shall govern the Contractor's and the Government's rights and obligations with respect to that option to the same extent as if the option were completed during the contract's effective period; provided that the Contractor's performance shall not exceed 12 months after the option is exercised.

The number of option hours exercised is 9,630. The number of option hours remaining for exercise is 56,926 hours. The number of hours exercised to date is 61,074 (Modification P00017).

H-17 Option, M113, M9ACE, PM BRIDGING

Pursuant to FAR 52.217-7, the Government shall have the unilateral right to increase the level of System Technical Support for Total Package Fielding under CLIN 0002 by up to 102,000 hours, at the estimated cost per hour to include fixed fee as established in paragraph B-3-1. The Contracting Officer may exercise the options set forth in this paragraph by giving written notice to the Contractor any time after Contract award through the sixtieth month after award. The performance there under to commence immediately upon the issuance of Work Directives corresponding to the increased hours. The CPFF hourly rate established in paragraph B-3-1 for that specific time period shall apply. The option may be exercised in any increment over the time period listed in paragraph B-3-1, but the total hours added to the Contract under the option will not exceed 102,000 hours.

By exercising any portion of the option increment of 102,000 hours, the Government will unilaterally extend the period of performance under CLIN 0002 to allow completion of this effort. The individual Work Directive will also reflect this extension. Any options exercised during the effective period of this contract and not completed within that time period, shall be completed by the contractor within the time specified in the work directive. The contract shall govern the Contractor's and the Government's rights and obligations with respect to that option to the same extent as if the option were completed during the contract's effective period; provided that the Contractor's performance shall not exceed 12 months after the option is exercised.

The number of option hours exercised for this modification is 8,180. The number of option hours remaining for exercise is 49,080 hours. The number of hours exercised to date is 52,920. (Modification P00024).

H-18 Option, HERCULES (M88A2)

Pursuant to FAR 52.217-7, the Government shall have the unilateral right to increase the level of System Technical Support for Total Package Fielding under CLIN 0003 by up to 36,000 hours, at the estimated cost per hour to include fixed fee as established in paragraph B-4-1. The Contracting Officer may exercise the options set forth in this paragraph by giving written notice to the Contractor any time after Contract award through the sixtieth month after award. The performance there under to commence immediately upon the issuance of Work Directives corresponding to the increased hours. The CPFF hourly rate established in paragraph B-4-1 for that specific time period shall apply. The option may be exercised in any increment over the time period listed in paragraph B-4-1, but the total hours added to the Contract under the option will not exceed 36,000 hours.

By exercising any portion of the option increment of 36,000 hours, the Government will unilaterally extend the period of performance under CLIN 0003 to allow completion of this effort. The individual Work Directive will also reflect this extension. Any options exercised during the effective period of this contract and not completed within that time period, shall be completed by the contractor within the time specified in the work directive. The contract shall govern the Contractor's and the Government's rights and obligations with respect to that option to the same extent as if the option were completed during the contract's effective period; provided that the Contractor's performance shall not exceed 12 months after the option is exercised.

The number of option hours exercised is 4,550. The number of option hours remaining for exercise is 22,984 hours. The number of hours exercised to date is 13,016 (Modification P00020).